



THE SECRETARY OF THE INTERIOR  
WASHINGTON

JUN 07 2012

The Honorable Ben Shelly  
President, Navajo Nation  
Window Rock, Arizona 86515

Dear President Shelly:

Thank you for your letter of March 20, 2012, regarding the renewal of the site lease for the Four Corners Power Plant and expansion of the Navajo Mine so that power generation can continue at the Four Corners Power Plant beyond 2016. We understand the economic importance of the continued operation of these facilities to the Navajo Nation.

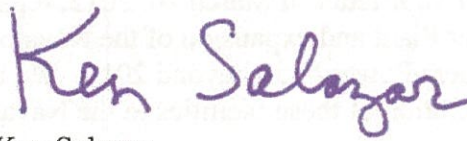
As you know, the Office of Surface Mining Reclamation and Enforcement has received an application for the proposed Pinabete Permit Area of the Navajo Mine, which will supply coal to the Four Corners Power Plant beyond 2016. The Bureau of Indian Affairs (BIA) also has received Lease Amendment 3, which extends the Power Plant's site lease until 2041. Both of these actions require preparation of an Environmental Impact Statement. We are beginning that Environmental Impact Statement (EIS) process, and have decided to prepare one EIS for the two actions. The OSM will be the lead agency for preparation of the EIS. Cooperating agencies currently include the Navajo Nation, the BIA, the Bureau of Land Management, the U.S. Fish and Wildlife Service, the National Park Service, the U.S. Army Corps of Engineers, and the Environmental Protection Agency. We anticipate completing the EIS by the end of 2014.

We appreciate the fact that seven regulatory actions involving multiple agencies for the facilities will be required to ensure the uninterrupted operation of the Mine and Power Plant. As Deputy Secretary David J. Hayes emphasized during his meeting with you on April 27, the Department is committed to coordinating these actions in an efficient and timely manner. In response to your specific request that we form a task force to expedite the decision making process, I am proposing that we build on the Department's cooperating agency team structure currently in place in that region. The proposed task force will be composed of the OSM Regional Director, who would serve as the task force lead, the BIA Navajo Regional Director, the BLM State Director, the FWS Regional Director, possibly the National Park Service, and the DOI Office of Environmental Policy and Compliance Regional Environmental Officer in Albuquerque. We also will invite the USACE office in Albuquerque and the EPA lead for Indian lands from Region IX in San Francisco to participate on the task force. This structure will provide an eight person task force representing Department regional leadership and other involved Federal agencies to address project timelines and issues requiring resolution. As necessary, the Department's Regional Solicitor will assist the task force.

While the regional task force will have primary responsibility for coordinating among the various governmental entities involved, I will be looking to the Director of OSM to have overall responsibility for ensuring timely project completion, including monitoring the progress of the task force and providing Deputy Secretary Hayes and me with ongoing status reports regarding this important project.

I am confident that this structure will address your concerns regarding the need for timely decision making for the many actions in front of us. We agree that this project is a very important one, and we look forward to continuing to work with you and your team on a government-to-government basis as we move forward.

Sincerely,



Ken Salazar